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As another example, Soochow's largest silk cloth shop, called Ta-feng, previously handled only wholesale trade, but following the Five Antis Movement, it turned its attention to retail selling, applied the principle of selling a large volume at small profits to the workers and farmers, and strove to build up customers. Consequently, its business is flourishing. From January to March 1953, the business income was 1,400,000,000 yuan, twice that for the same period year before last.

The Yung-an Company in Shanghai has had similar experiences. In the pre-liberation period and during the early part of the liberation, the business faced many difficult problems because the organization was too large and unwieldy. Furthermore, its economic efforts were not directed toward the masses. From August 1952 to January 1953, the company has held several joint labor-management consultative conferences. As a result the company management plan which was put into effect has enabled the company to exceed the set quota each month. The company has realized a steady surplus since last August, with the greatest surplus in any one month amounting to more than 400 million yuan. Following the installation of this new plan, there was a marked improvement in buying methods, in the opening of new markets, and an expansion of the buying and selling radius.

This sort of revamping is easily accomplished. For instance, the Canton import-export firm Ho-ling Company, has concentrated on the export of local products, and normally maintains eight or nine employees in the producing areas to purchase the local products. The buying activities were carried out systematically. For example, when the purchasing agents were in the agricultural villages of the northern part of East China, they would notify the peasants in advance to start out early and assemble in the markets in order to trade their goods. In this way the purchasing agents increased their business. Last year, transactions completed as a result of participation in the central goods market amounted to 5 billion yuan, and last year's total value of business reached more than 16 billion yuan. In April 1953 alone, the volume of business jumped to 6.5 billion yuan.

The Tai-feng firm, which produces sugar, flour, and various cereals in Canton, presents a similar case. This firm handles the mu shu (potato) raw flour product of South China. The firm purchases the raw flour lumps in the Tung-huan producing area, and processes them into finely milled flour. The firm supplies Canton city as well as the surrounding country, and its daily sales amount to more than 6,000 catties. Recently, due to the seasonal nature of mu shu production, the supply was not sufficient to meet the needs of the firm. In the past 2 months the purchasing agents have investigated potential supply sources in the surrounding agricultural villages, and they have already purchased more than 200,000 catties. Consequently, the volume of business has steadily risen. In February 1953, the total was 330 million yuan; in March it was 340 million yuan; and in April it was more than 400 million yuan.

Another example is Tsingtao's import-export firm, Te Mao-hsiang. The management of the firm abandoned the narrow selfish profit viewpoint to expand and strengthen the plan for promoting sales. They combined similar enterprises such as the Hsing-li, Tung-fang, and Chung-yan trading companies, and concentrated personnel and materials in a temporary confederation aimed at exporting sesame and peanut cakes, and such products as beans, ta-fai-ts'ai (Chinese greens), etc.

After the initial experience with these combines, the management united the Chien-t'ung and Chih-ch'ung trading companies. Because of the progressive expansion of overseas trade, the total value of export sales in 1952 was 2,945,000 Hong Kong dollars. From the enlarged export trade the firm received 2,435,000 Hong Kong dollars' worth of import goods with which to satisfy domestic demands. These goods included: chemicals, production machinery and equipment, western drugs, etc.

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The guiding principle of private commercial enterprise is to emphasize market expansion and to meet the demands for daily necessities of the laboring peoples. For instance, the Tientsin merchants realize that the purchasing power of the people in Northwest China has greatly risen, and although they clearly understand that the Sian district is largely a market for Shanghai goods, at the same time they realize that the supply of goods from Shanghai is not sufficient to satisfy all the demands of the vast Northwest area. Many articles of daily necessity are still relatively scarce, and therefore, the merchants have now organized with the industrial world to form a Northwest area trade delegation to Sian, Lan-chow, and other places to expand their goods market.

And as the Sian merchants discovered the comparatively high quality and relatively new styles and models of the goods, they began to buy in Tientsin. The merchants found that they had a great selection from which to choose and that they were purchasing better quality items, so that business for the Tientsin merchants improved. The merchants of Tsingtao on 4 May began to develop closer relationships with the industrial circles of that city. As a result, prices were lowered by the industrialists, and the supply of goods was greatly increased.

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